

FILED
UNITED STATES DISTRICT COURT
DISTRICT OF NEW MEXICO

IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF NEW MEXICO

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CLERK-LAS CRUCES

UNITED STATES OF AMERICA,

Plaintiff,

vs.

ALONSO P. GRADO, JR., a.k.a.

"Lonsie,"

RENE VERDUGO,

STEPHAN E. MORALES, a.k.a. "Chills,"

and EULALIO VALENTIN CHAVEZ,

a.k.a. "Lalo,"

Defendants.

CRIMINAL NO. 18CR1254RB

Count 1: 21 U.S.C. § 846: Conspiracy;

Counts 2-4, 6, 7, and 9-13: 21 U.S.C. §
843(b): Use of a Communication Facility to
Further the Commission of a Drug
Trafficking Crime;

Count 5: 21 U.S.C. §§ 841(a)(1) and
(b)(1)(B): Distribution of 100 Grams and
More of Heroin; 18 U.S.C. § 2: Aiding and
Abetting;

Count 8: 21 U.S.C. §§ 841(a)(1) and
(b)(1)(A): Distribution of 50 Grams and
More of Methamphetamine; 18 U.S.C. § 2:
Aiding and Abetting.

INDICTMENT

The Grand Jury charges:

Count 1

From on or about October 24, 2017, and continuing to on or about December 2, 2017, in Doña Ana County, in the District of New Mexico, and elsewhere, the defendants, **ALONSO P. GRADO, JR., a.k.a. "Lonsie," RENE VERDUGO, STEPHAN E. MORALES, a.k.a. "Chills," and EULALIO VALENTIN CHAVEZ, a.k.a. "Lalo,"** unlawfully, knowingly and intentionally combined, conspired, confederated, agreed, and acted interdependently with each other and with other persons whose names are known and unknown to the Grand Jury to commit an offense defined in 21 U.S.C. § 841(a)(1), specifically, distribution of controlled substances, methamphetamine and heroin.

Quantity of Methamphetamine Involved in the Conspiracy

With respect to **ALONSO P. GRADO, JR., a.k.a. "Lonsie," RENE VERDUGO,** and **EULALIO VALENTIN CHAVEZ, a.k.a. "Lalo,"** the amount of methamphetamine involved in the conspiracy attributable to them as a result of their own conduct, and the conduct of other conspirators reasonably foreseeable to them, is 50 grams and more of methamphetamine, contrary to 21 U.S.C. § 841(b)(1)(A).

With respect to **STEPHAN E. MORALES, a.k.a. "Chills,"** the amount of methamphetamine involved in the conspiracy attributable to him as a result of his own conduct, and the conduct of other conspirators reasonably foreseeable to him, is a mixture and substance containing a detectable amount of methamphetamine, contrary to 21 U.S.C. § 841(b)(1)(C).

Quantity of Heroin Involved in the Conspiracy

With respect to **RENE VERDUGO, STEPHAN E. MORALES, a.k.a. "Chills,"** and **EULALIO VALENTIN CHAVEZ, a.k.a. "Lalo,"** the amount involved in the conspiracy attributable to them as a result of their own conduct, and the conduct of other conspirators reasonably foreseeable to them, is 1 kilogram and more containing a detectable amount of heroin, contrary to 21 U.S.C. § 841(b)(1)(A).

Overt Acts

In furtherance of the conspiracy, and to accomplish the objectives of the conspiracy, the following acts, among others, were committed:

Overt Act One

On October 24, 2017, through a series of text messages, Eulalio Valentin Chavez agreed to sell up to five ounces of heroin, for \$975 per ounce, to an undercover agent.

Overt Act Two

On October 24, 2017, in a telephone call, Rene Verdugo and Eulalio Valentin Chavez

arranged to get heroin to sell.

Overt Act Three

On October 24, 2017, in a telephone call, Stephan E. Morales and Eulalio Valentin Chavez arranged for Eulalio Valentin Chavez to receive heroin that Eulalio Valentin Chavez later sold to an undercover agent.

Overt Act Four

On October 24, 2017, in a text message, Stephan E. Morales provided his address to Eulalio Valentin Chavez.

Overt Act Five

On October 24, 2017, Stephan E. Morales gave heroin to Eulalio Valentin Chavez at Stephan E. Morales' residence.

Overt Act Six

On October 24, 2017, Eulalio Valentin Chavez sold 563.1 net grams of heroin for \$3,900 to an undercover agent.

Overt Act Seven

On October 24, 2017, following the sale of heroin to an undercover agent, Eulalio Valentin Chavez delivered money from the sale to Rene Verdugo.

Overt Act Eight

On October 30, 2017, in a telephone call, Rene Verdugo and Eulalio Valentin Chavez confirmed that Eulalio Valentin Chavez' customer was going to pay \$4,200 for one pound of methamphetamine the next day.

Overt Act Nine

On October 31, 2017, in a series of text messages, Rene Verdugo and Eulalio Valentin Chavez arranged for Eulalio Valentin Chavez to pick up Rene Verdugo and Alonso P. Grado, Jr.

Overt Act Ten

On October 31, 2017, Alonso P. Grado, Jr. transported methamphetamine from Deming to Las Cruces.

Overt Act Eleven

On October 31, 2017, Alonso P. Grado, Jr., Rene Verdugo, and Eulalio Valentin Chavez traveled together to the Lowes Home Improvement store and sold 432.8 net grams of methamphetamine for \$4,200 to an undercover agent.

Overt Act Twelve

On November 20, 2017, in a telephone call, Eulalio Valentin Chavez agreed to sell ten ounces of heroin for \$9,000 to an undercover agent.

Overt Act Thirteen

On November 21, 2017, in a telephone call with Stephan E. Morales, Rene Verdugo confirmed that Stephan E. Morales would have heroin available the following day.

Overt Act Fourteen

On November 21, 2017, in a telephone call, Rene Verdugo informed Eulalio Valentin Chavez that Stephan E. Morales would have heroin available the following day.

Overt Act Fifteen

On November 22, 2017, Stephan E. Morales and Eulalio Valentin Chavez attempted to obtain heroin for the deal that Eulalio Valentin Chavez had previously agreed to conduct with the undercover agent that day, but they were not able to do so.

Overt Act Sixteen

On November 24, 2017, in a telephone call, Rene Verdugo and Stephan E. Morales discussed the failed heroin deal that they had attempted on November 22, 2017, and discussed how to better work with the heroin source of supply in the future.

Overt Act Seventeen

On November 29 and November 30, 2017, in a series of text messages, Rene Verdugo offered to sell Stephan E. Morales ounce quantities of methamphetamine for \$350 each, and Stephan E. Morales attempted to negotiate a lower price.

Overt Act Eighteen

On December 1, 2017, in a telephone call with the undercover agent, Eulalio Valentin Chavez agreed to sell one pound of methamphetamine for \$4,200, and ten ounces of heroin for \$9,000, later that day.

Overt Act Nineteen

On December 1, 2017, in a telephone call, Eulalio Valentin Chavez and Rene Verdugo discussed the availability of one pound of methamphetamine and seven ounces of heroin that Eulalio Valentin Chavez had arranged to sell to the undercover agent.

Overt Act Twenty

On December 1, 2017, in a series of text messages, Rene Verdugo told Alonso P. Grado, Jr. that the undercover agent was in town and wanted buy all of the methamphetamine that Alonso P. Grado, Jr. had at that time.

Overt Act Twenty-One

On December 1, 2017, in a telephone call, Rene Verdugo told Alonso P. Grado, Jr. that the undercover agent was in Las Cruces and wanted methamphetamine, and Alonso P. Grado, Jr. said that all the methamphetamine was in Deming and Alonso P. Grado, Jr. would need a ride from Las Cruces to Deming to get the methamphetamine.

Overt Act Twenty-Two

On December 1, 2017, in a telephone call, Rene Verdugo told Eulalio Valentin Chavez that Alonso P. Grado, Jr. would go to Deming to pick up whatever methamphetamine Alonso P.

Grado, Jr. had there and that Rene Verdugo also would talk with Stephan E. Morales about the heroin that the undercover agent had asked to purchase.

Overt Act Twenty-Three

On December 1, 2017, in a telephone call, Stephan E. Morales told Rene Verdugo that Stephan E. Morales could not get any heroin, and Rene Verdugo asked if Stephan E. Morales wanted Rene Verdugo to obtain ounce-level quantities of methamphetamine from Rene Verdugo's methamphetamine source of supply.

Overt Act Twenty-Four

On December 1, 2017, in a telephone call, Eulalio Valentin Chavez told the undercover agent that seven ounces of heroin would cost \$6,300, which they both agreed was too high a price, and Eulalio Valentin Chavez and the UC decided to focus only on a methamphetamine deal for that day.

Overt Act Twenty-Five

On December 1, 2017, after Alonso P. Grado, Jr. was slow to provide methamphetamine, Rene Verdugo and Eulalio Valentin Chavez agreed to cancel the drug deal that day.

Overt Act Twenty-Six

On December 2, 2017, in a telephone call, Stephan E. Morales told Rene Verdugo that he had between \$425 and \$450 to purchase an ounce of methamphetamine, and Rene Verdugo said he was trying to arrange with a source of supply to get an ounce of methamphetamine for Stephan E. Morales at that price.

In violation of 21 U.S.C. § 846.

Count 2

On or about October 24, 2017, in Doña Ana County, in the District of New Mexico, and elsewhere, the defendant, **EULALIO VALENTIN CHAVEZ, a.k.a. "Lalo,"** unlawfully,

knowingly and intentionally used a communication facility, a telephone, to further the commission of a drug trafficking crime, namely, conspiracy to distribute a controlled substance, contrary to 21 U.S.C. § 846.

In violation of 21 U.S.C. § 843(b).

Count 3

On or about October 24, 2017, in Doña Ana County, in the District of New Mexico, and elsewhere, the defendants, **RENE VERDUGO** and **EULALIO VALENTIN CHAVEZ, a.k.a. "Lalo,"** unlawfully, knowingly and intentionally used a communication facility, a telephone, to further the commission of a drug trafficking crime, namely, conspiracy to distribute a controlled substance, contrary to 21 U.S.C. § 846.

In violation of 21 U.S.C. § 843(b).

Count 4

On or about October 24, 2017, in Doña Ana County, in the District of New Mexico, and elsewhere, the defendants, **STEPHAN E. MORALES, a.k.a. "Chills,"** and **EULALIO VALENTIN CHAVEZ, a.k.a. "Lalo,"** unlawfully, knowingly and intentionally used a communication facility, a telephone, to further the commission of a drug trafficking crime, namely, conspiracy to distribute a controlled substance, contrary to 21 U.S.C. § 846.

In violation of 21 U.S.C. § 843(b).

Count 5

On or about October 24, 2017, in Doña Ana County, in the District of New Mexico, the defendants, **STEPHAN E. MORALES, a.k.a. "Chills,"** **RENE VERDUGO,** and **EULALIO VALENTIN CHAVEZ, a.k.a. "Lalo,"** unlawfully, knowingly and intentionally distributed a controlled substance, 100 grams and more of a mixture and substance containing a detectable amount of heroin.

In violation of 21 U.S.C. §§ 841(a)(1) and (b)(1)(B), and 18 U.S.C. § 2.

Count 6

On or about October 30, 2017, in Doña Ana County, in the District of New Mexico, and elsewhere, the defendants, **RENE VERDUGO** and **EULALIO VALENTIN CHAVEZ, a.k.a. "Lalo,"** unlawfully, knowingly and intentionally used a communication facility, a telephone, to further the commission of a drug trafficking crime, namely, conspiracy to distribute a controlled substance, contrary to 21 U.S.C. § 846.

In violation of 21 U.S.C. § 843(b).

Count 7

On or about October 31, 2017, in Doña Ana County, in the District of New Mexico, and elsewhere, the defendants, **RENE VERDUGO** and **EULALIO VALENTIN CHAVEZ, a.k.a. "Lalo,"** unlawfully, knowingly and intentionally used a communication facility, a telephone, to further the commission of a drug trafficking crime, namely, conspiracy to distribute a controlled substance, contrary to 21 U.S.C. § 846.

In violation of 21 U.S.C. § 843(b).

Count 8

On or about October 31, 2017, in Doña Ana County, in the District of New Mexico, the defendants, **ALONSO P. GRADO, JR., a.k.a. "Lonsie,"** **RENE VERDUGO,** and **EULALIO VALENTIN CHAVEZ, a.k.a. "Lalo,"** unlawfully, knowingly and intentionally distributed a controlled substance, 50 grams and more of methamphetamine.

In violation of 21 U.S.C. §§ 841(a)(1) and (b)(1)(A), and 18 U.S.C. § 2.

Count 9

On or about November 21, 2017, in Doña Ana County, in the District of New Mexico, and elsewhere, the defendants, **RENE VERDUGO** and **STEPHAN E. MORALES, a.k.a.**

“Chills,” unlawfully, knowingly and intentionally used a communication facility, a telephone, to further the commission of a drug trafficking crime, namely, conspiracy to distribute a controlled substance, contrary to 21 U.S.C. § 846.

In violation of 21 U.S.C. § 843(b).

Count 10

On or about November 21, 2017, in Doña Ana County, in the District of New Mexico, and elsewhere, the defendants, **RENE VERDUGO** and **EULALIO VALENTIN CHAVEZ, a.k.a. “Lalo,”** unlawfully, knowingly and intentionally used a communication facility, a telephone, to further the commission of a drug trafficking crime, namely, conspiracy to distribute a controlled substance, contrary to 21 U.S.C. § 846.

In violation of 21 U.S.C. § 843(b).

Count 11

On or about December 1, 2017, in Doña Ana County, in the District of New Mexico, and elsewhere, the defendants, **RENE VERDUGO** and **EULALIO VALENTIN CHAVEZ, a.k.a. “Lalo,”** unlawfully, knowingly and intentionally used a communication facility, a telephone, to further the commission of a drug trafficking crime, namely, conspiracy to distribute a controlled substance, contrary to 21 U.S.C. § 846.

In violation of 21 U.S.C. § 843(b).

Count 12

On or about December 1, 2017, in Doña Ana County, in the District of New Mexico, and elsewhere, the defendants, **ALONSO P. GRADO, JR., a.k.a. “Lonsie,”** and **RENE VERDUGO,** unlawfully, knowingly and intentionally used a communication facility, a telephone, to further the commission of a drug trafficking crime, namely, conspiracy to distribute a controlled substance, contrary to 21 U.S.C. § 846.

In violation of 21 U.S.C. § 843(b).

Count 13

On or about December 1, 2017, in Doña Ana County, in the District of New Mexico, and elsewhere, the defendants, **RENE VERDUGO** and **STEPHAN E. MORALES**, a.k.a. "Chills," unlawfully, knowingly and intentionally used a communication facility, a telephone, to further the commission of a drug trafficking crime, namely, conspiracy to distribute a controlled substance, contrary to 21 U.S.C. § 846.

In violation of 21 U.S.C. § 843(b).

A TRUE BILL:

/s/
FOREPERSON OF THE GRAND JURY


Assistant United States Attorney


04/17/18 2:20PM